

## INSURANCE DIVISION[191]

### Adopted and Filed

#### Rule making related to viatical and life settlement reporting requirements

The Insurance Division hereby amends Chapter 48, “Viatical and Life Settlements,” Iowa Administrative Code.

#### *Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code section 508E.19.

#### *State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code section 508E.6.

#### *Purpose and Summary*

This rule making clarifies the requirements of the annual report for viatical settlement providers and adds a late fee of \$100. There are 13 licensed viatical settlement providers, and the Division has received seven late reports in the past two years. The goal of this rule making is to make the annual reports more uniform and to discourage late filing.

#### *Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on August 25, 2021, as **ARC 5875C**. No public comments were received. No changes from the Notice have been made.

#### *Adoption of Rule Making*

This rule making was adopted by Douglas Ommen, Iowa Insurance Commissioner, on September 29, 2021.

#### *Fiscal Impact*

The fiscal impact cannot be calculated at this time. The goal of imposing a late fee is to encourage compliance with the filing deadline. If the addition of the late fee has its intended effect, the fiscal impact will be zero.

#### *Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

#### *Waivers*

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Division for a waiver of the discretionary provisions, if any, pursuant to 191—Chapter 4.

#### *Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

*Effective Date*

This rule making will become effective on November 24, 2021.

The following rule-making action is adopted:

Amend rule 191—48.7(508E) as follows:

**191—48.7(508E) Reporting requirements.** Pursuant to Iowa Code section 508E.6, on or before March 1 of each year, the secretary and either the president or the vice president of each viatical settlement provider licensed in this state shall submit, under oath, an annual statement report for the immediately preceding calendar year.

~~48.7(1) *Transaction information.* On March 1 of each calendar year, the secretary and either the president or the vice president of each viatical settlement provider licensed in this state shall submit, under oath, the following: the annual statement required by Iowa Code section 508E.6; a report of all viatical settlement transactions in which the viator is a resident of this state; and a report for all states in the aggregate. The annual statement report shall contain the following transaction information for the previous calendar year~~ all viatical settlement transactions in which the viator is a resident of this state:

a. The following information pursuant to Iowa Code section 508E.6:

(1) Total number of transactions;

(2) Aggregate face amount of all policies; and

(3) Total proceeds of policies settled;

~~a. b.~~ For viatical settlements contracted during the reporting period:

(1) to (12) No change.

~~b. c.~~ For viatical settlements in which death of the insured has occurred during the reporting period:

(1) to (10) No change.

~~c. d.~~ Name and address of each viatical settlement broker through whom the reporting company purchased a policy from a viator who resided in this state at the time of contract;

e. Name of the insurance companies whose policies have been settled;

~~d. f.~~ Number of policies reviewed and rejected; and

~~e. g.~~ Number of policies purchased from persons other than a viator (on the secondary market) as a percentage of total policies purchased.

~~48.7(2) *Additional required information.* On or before March 1 of each year, the secretary and either the president or the vice president of each viatical settlement provider licensed in this state shall make a report under oath of the following or shall provide the following documentation~~ The annual statement report shall also contain the following documentation and statements:

a. to c. No change.

d. Transaction information as identified in subrule 48.7(1) for all states.

**48.7(3) *Form.*** The annual statement report shall be submitted in a format prescribed by the commissioner.

**48.7(4) *Late fee.*** A viatical settlement provider that fails to timely file the annual statement report pursuant to this rule shall pay a late fee of \$100.

[Filed 9/29/21, effective 11/24/21]

[Published 10/20/21]

EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 10/20/21.